

# Mary M. Johnson

*Clerk Circuit Court & County Court*

*Santa Rosa County*

**MILTON, FLORIDA 32572-0472**

**William Wade Burroughs, CFE**  
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## MEMORANDUM

**DATE:** March 31, 2010

**TO:** Mary Johnson, Clerk of Court

**FROM:** Wade Burroughs, Internal Auditor

**CC:** Navarre Beach Volunteer Fire Department  
Hunter Walker, County Administrator  
Susan Hoodless, Director of Finance

**SUBJECT:** Navarre Beach Fire Department Review

The Navarre Beach Volunteer Fire Department was included in the Santa Rosa County Fire Protection Municipal Service Benefit Unit on October 24, 1991 in accordance with County Ordinance 91-27.

This review covers a twelve (12) month time frame beginning October 1, 2008 and ending September 30, 2009.

- The department utilized all funds received from the County pursuant to the budget approved by the County except as noted below.
- The department submitted to the County proof of all expenditures for the 08-09 fiscal year and the bank account was reconciled monthly on a timely basis.
- Checks numbered (4269 – 4610, 4651 – 4754, 10011-10019 and 1002) 1003 – 1012, 4611-4612, 4755 – 4781, 10000 - 10010, and 10020 - 10368 were issued during the 08-09 fiscal year and have been accounted for in this review. Proof of invoice was provided for all checks except as noted below..
- All County MSBU disbursements were deposited in the Navarre Beach Volunteer Fire Department checking account by Board Support Service. This review revealed the records are properly maintained and expenditures are supported by underlying documentation except as noted below..

This review is strictly to determine the financial compliance of the department with regards to the MSBU funds received from Santa Rosa County, payable to the department. It does not imply or intend to cover or comment upon any other covenants. Work papers are available for further review.

The following exceptions were noted during the review:

1. Check 10000 dated 10/1/08 to K. Rudzki for \$55.70 – Supporting invoices include \$0.50 in sales tax.
2. Check 10001 dated 10/1/08 to Navarre Lumber for \$70.26 – Supporting invoice includes \$4.29 in sales tax.
3. Check 10006 dated 10/1/08 to PR Cleaning Supply for \$51.59 – Supporting invoice is faded and unreadable.
4. Check 10031 dated 10/16/08 to IRS for \$10.07 – No supporting documentation provided.
5. Check 4758 dated 10/17/08 to USPS for \$42.00 – No supporting documentation provided.
6. Check 10047 dated 10/22/08 to Edward King for 997.15 – Supporting documentation provided indicates a payment of \$1,030.62. No explanation given for the \$33.47 difference.
7. Check 4757 dated 10/17/08 to K. Rudzki for \$102.22 – Supporting receipt includes \$6.24 in sales tax.
8. Check 10058 dated 11/1/08 to G. Gazzillo for \$42.58 – Supporting receipt includes \$2.60 in sales tax.
9. Check 10067 dated 11/3/08 to Mike Howard for \$39.28 – Supporting receipt includes \$2.40 in sales tax.
10. Check 10118 dated 12/18/08 to William Winterberry for \$101.46 – No supporting documentation provided.
11. Check 10137 dated 12/31/08 to G. Gazzillo for \$34.40 – Supporting receipts include \$2.11 in sales tax.
12. Check 4762 dated 1/2/09 to USPS for \$42.00 – No supporting documentation provided.
13. Check 10187 dated 2/16/09 to W. Winterberry for \$15.58 – Supporting invoices include \$1.06 in sales tax.
14. Check 4767 dated 3/16/09 to M. Howard for \$104.55 – Supporting receipt includes \$5.92 in sales tax.

15. Check 4772 dated 5/12/09 to M. Howard for \$13.81 – Supporting receipt includes \$0.85 sales tax.
16. Check 4776 dated 7/3/09 to M. Howard for \$73.16 – No supporting documentation provided.
17. Check 4780 dated 9/1/09 to M. Howard for \$26.62 – Supporting receipt includes \$1.63 in sales tax.

Recommendations:

1. In ten (10) instances the Department paid sales tax totaling \$27.60. In nine (9) of these instances it was when reimbursing members for expenditures. The other instance was a payment to Navarre Lumber. The Department should have a letter exempting them from paying sales tax and should take advantage of that exemption. An after the fact remedy for this would be for the Department to reimburse MSBU funds from non-MSBU funds.
2. In five (5) instances no supporting documentation was provided to support expenditures. Any expenditure of public money should be supported by documentation. An after the fact remedy for this would be for the Department to reimburse MSBU funds from non-MSBU funds.
3. In one (1) instance the supporting documentation provided was faded and unreadable. This is equivalent to no supporting documentation. An after the fact remedy for this would be for the Department to reimburse MSBU funds from non-MSBU funds.
4. In one (1) instance the supporting documentation provided did not agree with the payment made. Any reasons for differences between the supporting documentation and what is paid should be notated on the supporting documentation at the time of payment. An after the fact remedy for this would be for the Department to reimburse MSBU funds from non-MSBU funds.